



Federal Ministry  
of Education  
and Research

## Report on Vocational Education and Training for the Year 2006



VOCATIONAL  
EDUCATION

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## Part I

# Strengthening vocational education and training – training opportunities for all young people

For the majority of Germany's young generation, it is still vocational education and training (VET), especially under the dual system, which provides access to skilled jobs. In this way, it also creates an essential part of the basis for life-long learning. Consequently, the primary goal of the Federal Government's vocational education and training policy is to give as many young people as possible the opportunity to start working life equipped with skills that are sought after in the labour market.

Vocational education and training in one of the about 350 training occupations recognised under the Vocational Training Act (*Berufsbildungsgesetz – BBiG*) and the Crafts Code (*Handwerksordnung – HwO*) is more than just making young people fit for certain types of work or for temporary jobs. Even though the various types of employment have been strongly diversified, sound vocational education and training is still one of the best insurances against unemployment. This is borne out by the high percentage of unskilled labour among the unemployed registered in both the western and eastern *Länder* (German states).<sup>1</sup>

At the same time, rapid changes in technology, process engineering and work processes require a continuous adaptation of qualifications and skills to maintain the long-term employability of the workforce. In view of demographic trends this aspect will continue to gain in importance for all – but especially older – employees and call for a more intensive utilisation of the numerous forms of continuing vocational education and training available, including on-the-job training.

In its coalition agreement, the new Federal Government clearly professed its belief in the importance of education, training and qualification. In the years to come consistent efforts will have to be made to turn this belief into reality. The 'dual' character of vocational education and training (VET) also applies in a figurative sense: VET is always centred around the education and training of young people, about their plan for life, their opportunities of social

participation and about ensuring their employability. At the same time, industry and society aim to ensure the development of future generations of skilled labour and to maintain their innovative capacity. Hence it is not least in industry's own best interest to ensure qualitatively and quantitatively adequate VET opportunities.

## 1. Vocational education and training review 2005

A review of the 2005 training place market shows that even though the National Pact for Career Training and Skilled Manpower Development in Germany (*Nationaler Pakt für Ausbildung und Fachkräftenachwuchs in Deutschland*) is effective, it needs a new impetus. In the period from 1 October 2004 to 30 September 2005, a total of 550,180 new training contracts were concluded nationwide. This is 22,800 fewer new contracts or 4.0 per cent less than in the same period a year before. After the positive result achieved in 2004, the negative trend of recent years continues. In 2005, 505,191 new in-company training contracts<sup>2</sup> were concluded which is still about 7,900 more than before the Training Pact became effective in 2003. This underlines the impact of the negative employment trend in 2005 on the supply of training places; but at the same time it was possible partly to separate the two factors.

The numerous activities conducted by the parties to the Pact and other industry and sectoral associations to create new training places have certainly contributed to this development. In the second year of the implementation of the Training Pact, these activities were continued with undiminished vigour. In 2005, the chambers could induce their members to create a total of about 63,400 new training places. In addition, business enterprises and public administrations provided 42,000 places for company-based introductory training. The Federal Government supported these efforts with various programmes of its own. Under its EQJ special programme, for instance, the Federal Ministry of Labour and Social Affairs (*Bundesministerium für Arbeit und Soziales*) provided a monthly grant per place of € 192 towards the young people's living and another € 102 as social security contribution. In 2005, the Federal Ministry of Education and Research (*Bundesministerium für Bildung und Forschung*), together with the eastern *Länder*, again launched a special programme to

<sup>1</sup> In 2004 e.g., between 20 per cent (western Germany) and 50 per cent (eastern Germany) of registered unemployed had not finished vocational education and training; IAB calculations in: IAB/Forum 2/2005 and information service of the Institute of German Industry (*Institut der Deutschen Wirtschaft*), iwD No. 51/52 of 22 December 2005.

<sup>2</sup> Based on data of the Federal Employment Agency (*Bundesagentur für Arbeit – BA*) and the *Länder* programmes, the Federal Institute for Vocational Education and Training (*Bundesinstitut für Berufsbildung – BIBB*) began in 1999 to calculate the number of exclusively in-company training contracts to ascertain the actual training performance of the business enterprise sector. Cf. Part II, chapter 1.1.1 and Table 1.1.1/5.

finance 14,000 training places and to this end provided about € 95 million.

The number of young people who on 30 September 2005 were still registered with the Federal Employment Agency (*Bundesagentur für Arbeit – BA*) as applicants without training places also dropped slightly, compared with the previous year, by exactly 3,161 or 7.2 per cent to 40,900. Intensive subsequent placement campaigns jointly conducted under the Training Pact by employment agencies and chambers helped to reduce the number to about 17,500 by mid-December 2005.<sup>3</sup>

To round off the picture it should be pointed out that in 2005 about another 47,200 applicants continued to insist on their placement wishes, although they had been placed in alternative training places. A comparison with previous years shows that the percentage of these young people has grown steadily. It should also be noted that in late September about 7,800 young people – most of whom had originally also sought training places – began company-based introductory training.

This review clearly shows that in 2006 the training place market must recover its momentum so that young people have a better chance of receiving qualified vocational education and training.

## 2. The development of dual vocational education and training in the context of the education system

### DEVELOPMENTS ON THE DEMAND SIDE

Developments going beyond the core area of dual VET clearly show that over the past ten to twelve years the structure of the various educational pathways in the areas of full vocational qualification and basic VET has changed dramatically. These changes have now reached such quantitative dimensions that they have to be included in the assessment of young people's training opportunities. Also with regard to the structure of our vocational education and training system, careful consideration has to be given to the question which VET policy conclusions will have to be drawn from these developments.

All in all, the following changes occurred in the period from 1992<sup>4</sup> to 2004/05:

Compared with 1992, the number of young people starting VET under the dual system in 2005 dropped by 45,000 or 8 per cent. This development compared with a steadily growing number of general-school leavers. With a total of 948,200, some 174,900 school leavers more were registered in 2005 than in 1992. The result of these opposing trends was that the mathematically determined percentage of those starting VET under the dual system among the total number of school leavers shrank heavily and, at 58 per cent, for the first time dropped below the sixty-per-cent mark.

Nevertheless, the number of young unemployed under 20 years of age could be kept at a relatively low level: In spite of the substantial increase by 75,100 in the number of school leavers there were 13,200 fewer young unemployed than in 1992.

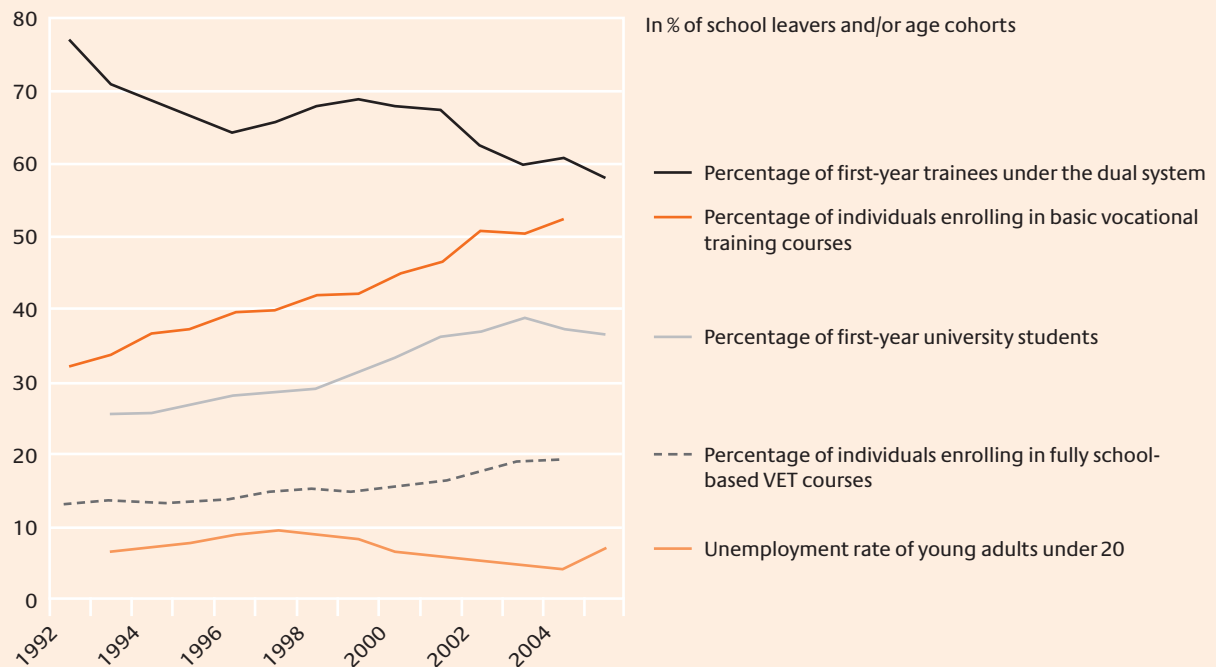
This is the result of a massive broadening of educational pathways which in one way or another provide young people with basic VET in the period between leaving a secondary school and beginning fully qualifying vocational education and training.

In the period from 1992 to 2004, the number of

- young people enrolled in the pre-vocational training year rose by 43,400 or 117 per cent to 80,600,
- young people in the basic vocational training year attending a full-time vocational school increased by 16,800 or 53 per cent to 48,100,

<sup>3</sup> In the wake of the European-wide harmonisation of statistics the cut-off date was brought forward from the end to the middle of the month from January 2005 onwards. Consequently, a comparison with the data of the previous year in the statistics of the Federal Employment Agency is only possible to a limited extent.

<sup>4</sup> 1992 was chosen as reference year, because this year was the first after German reunification in which reliable data could be collected both nationwide and separately for the eastern and western *Länder*.

**Chart 1: Development of relative participation in education, 1992 to 2005**<sup>5</sup>

Source: Federal Statistical Office, Federal Employment Agency, Federal Institute for Vocational Education and Training

- first-year students attending a full-time vocational school in educational courses not leading to full vocational qualifications grew by 84,700 or 77 per cent to reach 195,000. Some of these are students who wish to improve their chances in the training place market by acquiring higher-level secondary school-leaving qualifications.

Moreover, since 1992 when more than 120,000 training vacancies could not be filled, the number of participants in vocational preparation schemes organised by the BA has gone up considerably (+100,100 or 142 per cent to 170,500 in 2004). When all students enrolled in basic vocational training schemes are taken together, about 300,000 – including full-time vocational school students 494,100 – young people chose such a partly qualifying educational pathway in 2004. This means that enrolment in these educational courses has almost doubled since 1992 when it totalled 249,100.

In the period from 1992 to 2004, enrolment in fully qualifying school-based educational courses (full-time vocational schools) rose by 81,300 or 81 per cent to 182,100 new students. From 1992 to 2005, the number of first-year university students grew by 61,100 or 21 per cent to reach 351,900.

These developments affect in particular young people of foreign nationality or with a migration background whose level of participation in VET is much lower than that of young Germans anyway. This applies in particular to young foreign males. Their participation in the dual system of vocational education and training dropped from 42 per cent in 1992 to only 28 per cent in 2004.<sup>6</sup> This means that their participation rate almost reached the permanently low participation level of foreign girls and young women which in the early 1990s was 25 per cent and in late 2004 had dropped to 23 per cent.

#### TRAINING MATURITY, PROFESSIONAL APTITUDE AND PLACEABILITY

In view of the large number of young people enrolled in pre-vocational training schemes, it should also be taken

<sup>5</sup> The calculated percentages shown here add up to more than 100 per cent, because after leaving general school many young people attend more than one educational course until they complete fully qualifying VET. When young people attend several courses they are also several times registered in statistics.

<sup>6</sup> Vocational training statistics of the Federal Statistical Office (*Statistisches Bundesamt*) as of 31 December.; calculations by BIBB.

into account that such schemes are necessary for a quite a substantial number of young people as after leaving secondary school they are obviously not advanced enough in their development and choice of career to be able to begin in-company vocational education and training with any chance of success. Nationwide, some 9 per cent of an age cohort leave secondary general school without a school-leaving certificate, about 22 per cent of 15-year-old students represented in the international PISA II study belonged to the so-called at-risk group who after the end of compulsory schooling can only do arithmetic at primary school level and are unable to understand even simple texts.

In addition, requirements in many of the training occupations recognised under the Vocational Training Act and the Crafts Code have changed in cognitive terms: Occupations which in the past mostly relied on manual skills, today increasingly require theoretical knowledge due to the use of computer-based machines. In recent years, the Federal Government and the social partners made allowance for these changes by diversifying and extending the range of training occupations.

During its consultations on 15 February 2005, the Training Pact Steering Committee set up working groups which – among other things – addressed the issue of training maturity and identified innovative models designed to optimise the process of choosing a career through internships in industry and better coverage at school of the topic of industry/working life.<sup>7</sup>

The working group on School/Industry which consists of representatives of the parties to the Pact and of the Standing Conference of the *Länder* Ministers of Education (*Ständige Konferenz der Kultusminister der Länder – KMK*) developed a guideline for action entitled 'Schools and business enterprises as partners – a guideline for action to strengthen career orientation and training maturity' (*Schulen und Betriebe als Partner – Ein Handlungsleitfaden zur Stärkung von Berufsorientierung und Ausbildungsreife*). This guideline is based on the experience gathered in many already existing co-operative exercises between schools and the business enterprise sector aimed at furthering training maturity and career orientation. It is intended to roll out such initiatives and anchor them firmly in day-to-day life. To this end, a tool kit was developed with concrete proposals for designing joint projects for developing training maturity and furthering career orientation. The guideline for action will be distributed nationwide to schools and business enterprises. The parties to the Training Pact and KMK will vigorously support the implementation and application of this guideline.

<sup>7</sup> Cf. Part II, chapter 3.3.3, BMBF programme on School – Industry/ Working Life and the status report of the sub-working group under the Training Pact of 30 January 2006.

The assessment of 'training maturity' focuses primarily on identifying the basic cognitive, social and personal skills a person must have – in addition to the ability to take psychological and physical stress – in order to train in an occupation. 'Professional aptitude' is identified by an occupation-related selection and expression of personal characteristics (skills and interests) resulting in an individual's inclination towards a specific occupation or group of occupations. Even if the aptitude prognosis for a certain training occupation is positive, 'placeability' may vary considerably. An applicant whose placement is not complicated or hampered by personal or familial constraints may find it difficult to be placed due to the economic or regional training market situation.

The Training Maturity working group developed a list of criteria and minimum standards for assessing a person's training maturity.<sup>8</sup> In addition to basic school knowledge, characteristics of working and social behaviour were defined in greater detail. These soft skills are of major importance in vocational education and training, but in the past it has not always been clear what business enterprises expect in terms of staying power, self-organisation or an individual's ability to work in a team. This list of criteria is addressed to all those who focus on the transition from school to vocational training and again and again have to face the question what the business enterprise sector's requirements are for its future trainees and which individual prerequisites are indispensable for acceptance in a vocational education and training course under the dual system. The list provides assistance in answering these questions for practitioners working in employment agencies, schools, business enterprises, youth work and welfare services and for training providers, but also for parents and the young people themselves. This list of criteria was approved by the Training Pact Steering Committee on 30 January 2006. The concept is open and leaves room for development and improvement, and its usefulness in day-to-day activities will be tested in business enterprises, schools and employment agencies.

#### DEVELOPMENTS ON THE SUPPLY SIDE

With the exception of 2004 when – as a result of the numerous activities conducted under the Training Pact – an increase by some 21,300 in-company training contracts could be achieved, the number of new training contracts

<sup>8</sup> Cf. the list of criteria in Part II, chapter 2.3.4 and: Müller-Kohlenberg, Schober, Hilke „Ausbildungsreife – Numerus clausus für Azubis?“ (Training maturity – restricted access for trainees?) in BWP special edition 3/2005, published by BIBB, Bonn. The list of criteria was also developed with reference to the binding attainment standards adopted by the KMK for the medium-level school-leaving certificate and the subjects of German and mathematics and a first foreign language.

has clearly dropped in recent years. It seems that there is a number of interacting factors which influence training performance and hence the provision of training places by business enterprises and public administrations. As a result, many companies that actually met the conditions<sup>9</sup> for providing vocational education and training reduced their VET volume or completely withdrew from the dual system of vocational education and training.

The analyses of regional labour and VET markets performed by the Federal Institute for Vocational Education and Training (*Bundesinstitut für Berufsbildung – BIBB*)<sup>10</sup> highlight a clear correlation between employment trends and the supply of in-company training places. According to BA estimates, the number of workers covered by social insurance dropped by about 1.3 million between September 2002 and September 2005. This development also had an impact on the training markets.

Especially trades-firms which have the oldest vocational training tradition and which, with a trainee rate of 10 per cent of the total number of employees, can still boast a good training performance were in recent years hit by a massive reduction in the number of employees covered by social insurance. In the years from 1995 to 2006, the number of persons working in trades-firms (including trainees) shrank from about 6.3 million to 4.6 million.<sup>11</sup> This development also affected the number of new training contracts concluded by trades-firms. Over the same period it plummeted from 220,000 to 168,000 and continued to drop to 157,000 in 2005.

A survey of 2,000 companies conducted by the Federal Institute for Vocational Education and Training and entitled 'Ways and means to stabilise the business enterprise sector's participation in VET' (*Wege und Instrumente zur Stabilisierung der betrieblichen Ausbildungsbeteiligung*)<sup>12</sup> showed that, apart from the economic situation, the demand for vocational qualifications and skilled labour is the most important factor influencing a company's decision on whether or not to provide vocational education and training. This underpins and complements the previous assumption that above all the inadequate economic deve-

lopment of German industry in recent years is to blame for the decline in the number of new training contracts.

These findings are confirmed when ongoing internationalisation and the relocation of businesses abroad are included in the considerations. Such developments also affect the demand for qualified personnel in Germany and the VET commitment of business enterprises and public administrations.

Nevertheless, training efforts must definitely be intensified. As a result of demographic developments, the largest number of young adults leaving general schools alone – about 950,000 – will enter the training market in 2006. In addition, there will be young people seeking vocational education and training after leaving partially qualifying vocational schools or vocational preparation schemes; their number cannot be accurately estimated. Assuming the VET participation rate of 2003, about 593,000 new training contracts would have to be concluded nationwide in 2006.<sup>13</sup>

<sup>9</sup> Cf. Part II, chapter 2.3.1, the results of the IAB Establishment Panel.

<sup>10</sup> Cf. Part II, chapter 1.2.

<sup>11</sup> Cf. information service of the Institute of German Industry No. 32, 11 August 2005, pp. 4/5.

<sup>12</sup> The four-factor model – demand for skilled labour, qualification needs, economic situation and the business sector's willingness to provide VET – already explains about 65 per cent of the business enterprises' participation in VET, cf. Troeltsch et al. (2005): *Wege und Instrumente zur Stabilisierung der betrieblichen Ausbildungsbeteiligung bei schwieriger Wirtschaftslage: ihre Wirksamkeit aus der Sicht der Betriebe. Abschlussbericht zum Forschungsprojekt 2.5.101* (Ways and means to stabilise the business enterprise sector's participation in VET in a difficult economic situation: their effectiveness as perceived by business enterprises. Research project 2.5.101, final report. Bonn, November 2005.

<sup>13</sup> Cf. the BIBB demand forecast in Part II, chapter 1.4.

### 3. Challenges confronting the vocational education and training system – selected priorities of vocational education and training policy during the 16th legislative period

During the next ten years, the vocational education and training system will be facing three key challenges:

#### – Demographic change and its impact on vocational education and training

The nationwide demand for training places will continue to grow until 2008. In the following years, the decline in the birth rate which can already be observed in the eastern Länder and which by 2012 will reduce age cohorts by half will be felt nationwide. Demographic change will then also have an impact on the provision and infrastructure of vocational education and training as well as on teachers and trainers working in the VET system.

This is why, on the one hand, an adequate supply of training places or comparable qualification schemes that enable young people to find employment in the labour market must be ensured now so that educational potentials can be fully exhausted. On the other hand, modern training occupations providing versatile skills, and improved general conditions will have to maintain and enhance the performance of the VET system. Among other things, the interfaces with upstream and downstream educational sectors have to be optimised to avoid unnecessary educational measures and ease the transfer from one vocational qualification scheme to another.

#### – Tapping new potentials to ensure VET opportunities for young people

Analyses of employment trends and the development of VET in the growing service sector show that at least in some parts of the tertiary sector – where a training tradition customary in technical occupations in industry and in craft and skilled trades has not yet developed – there is still a considerable need to catch up.<sup>14</sup> Especially companies in innovative industries with growing employment, e.g. in optical technologies, biotechnology, nanotechnology and microsystems, should be systematically introduced to the dual vocational education and training system and/or informed about adequate qualification possibilities (which they are often not sufficiently aware of) in training occupations recog-

nised under the Vocational Training Act and the Crafts Code. Driven by demand, new models of full-time vocational school/vocational qualification have to be developed in order to ensure the availability of VET capacities needed for the next generation.

#### – Globalisation and internationally recognised vocational education and training

The importance and versatility of vocational education and training can be enhanced by internationalising training and especially by promoting mobility and taking advantage of the innovation potential of EU education programmes and bilateral co-operative projects. Use should be made of the possibility provided for in sec. 2(3) of the Vocational Training Act of spending longer training periods abroad. At the same time, it is intended to develop a performance-driven and requirement-based ranking of VET under the dual system when designing the new EU ECVET and EQF credit transfer and recognition tools.<sup>15</sup> Continuing support will be provided for improving the position of German education and training providers in the worldwide expanding market for educational services.

These developments will confront the education system, and the vocational education and training system in particular, with major challenges. Ensuring aggregate value-added – the actual source of prosperity and social security – is only conceivable if the vocational education and training system in Germany is turned into a viable option for the future. Since competent VET is a key requirement for qualification and innovative capacity in Germany, the education system itself has to be subjected to an ongoing process of modernisation.

The links between the various sectors of our education system and the interaction in some cases between employment trends and the training behaviour of the business enterprise sector call for a consistent concept of activities and reforms. VET policy will also have to include the development of alternatives in order to give school leavers the opportunity to acquire a sound vocational qualification and thus help them make a successful start in working life. It is equally important to ease the transition from school to vocational preparation schemes or training courses and from initial vocational training to continuing vocational education and training and gainful employment.

Apart from ensuring an adequate supply of in-company training places and other vocational training schemes equipping individuals with skills and competences that

<sup>14</sup> Cf. the different developments of employment and VET in the service sector in the western Länder in the Report on Vocational Education and Training for the Year 2005, Part I, Figure 1.

<sup>15</sup> European Credit Transfer System for Vocational Education & Training (ECVET) und Europäischer Qualifikations-Rahmen (EQR) oder European Qualification Framework (EQF).

can be used in the labour market, key activities in the years to come will include optimising the structures of the various sectors of the VET system and ensuring the quality of initial and continuing vocational training and education.

The next few years will see the following general priority areas of action:

- **Improving training opportunities**

The agenda includes themes like the further development of VET, initiatives to increase the supply of training places such as the Job Starter programme, the evaluation of the impact of the amended Vocational Training Act, the ongoing modernisation of training occupations and the dovetailing of initial and continuing vocational education and training.

- **Optimising transition management**

Activities aim to provide the earliest possible support of young people who, for different reasons, have problems in transferring from school to vocational training, ensure a better integration of young people with a migration background, and provide up-skilling schemes for young adults without any formal vocational qualifications.

- **European challenges**

In addition to ensuring greater mobility and more exchange opportunities, activities will focus on the development of various instruments to improve the transparency, crediting and recognition of qualifications and certificates in the European Union.

### Improving vocational education and training opportunities

#### CONTINUATION OF THE TRAINING PACT

On 16 June 2004, the Federal Government and the umbrella organisations of German industry concluded the three-year National Pact for Career Training and Skilled Manpower Development in Germany. On 30 January 2006, at the first meeting of the Training Pact Steering Committee after the change of government, the Federal Government, together with the other parties to the Pact, took up the mandate laid down in the coalition agreement of 11 November 2005, i.e. to evolve and improve the Training Pact.

As a first step, measures to improve the training situation, the training maturity of the school leavers and the transition from general schools to vocational preparation schemes or vocational training proper were discussed. The Federal Ministry of Education and Research will launch several schemes in order to provide active support for the

agreed objectives of the Training Pact. These schemes will include the Job Starter vocational training structure programme and annual VET campaigns, e.g. to tap vocational education and training potentials in research-related growth industries or in companies owned by entrepreneurs of foreign origin.

At the meeting of the Training Pact Steering Committee it was decided that in the course of the year the Federal Ministry of Education and Research – together with all relevant stakeholders such as the *Länder* governments and the trade unions – would launch a new initiative to improve the structure of VET in order to support the Training Pact. In view of economic and demographic changes, this initiative will focus on the development of joint strategies for changes in four main areas: Modernisation of vocational education and training in terms of new qualification requirements and improvement of transition management; dovetailing of initial and continuing vocational education and training; improvement of the opportunities of transferring from VET to higher education; national reforms with regard to European VET developments.

#### NEW JOB STARTER PROGRAMME

In view of the still tight training place situation and the simultaneously existing potential for creating additional training places, the Job Starter vocational training structure programme was developed. The Federal Ministry of Education and Research organised a nationwide conference in Berlin on 19 and 20 January 2006 to launch the programme which will run until 2010 with a total funding volume of €100 million, including co-financing from the European Structural Fund (ESF).

The new programme aims to improve regional training structures and thus the supply of in-company training places ('structural funding instead of per-capita funding'). The new vocational training structure programme focuses on industry and was conceived in close co-operation with the business enterprise sector. Above all, it is intended to strengthen the structures of in-company training provided in the various regions. Job Starter is the logical evolution of the five preceding separate programmes which were mostly completed in late 2005<sup>16</sup> and of initiatives organised by the Federal Ministry of Education and Research to promote vocational education and training, i.e. STARegio, Regio-Kom East, training place developers, KAUSA and the sponsorship programme. These schemes will be reorganised and extended to include additional instruments and thematic priorities. The latter will also comprise the new possibilities created by the 2005 amendment to the Vocational Training Act, i.e. improved co-operation of full-

<sup>16</sup> For the various structural programmes see Part II, chapter 1.1.3.

time vocational schools with companies and/or chambers, winning over additional firms for training by means of contractual networks of several enterprises jointly acting as training providers, strengthening VET co-operation in border regions.

The programme will focus on regions in Germany where vocational education and training is a problem and, for the first time, enable the Federal Ministry of Education and Research to provide customised, demand-driven, holistic and single-source VET support under major and innovative regional projects which also involve the relevant VET players. In its annual request for proposals the programme will define thematic priorities, viz. vocational education and training in promising, forward-looking technologies and growth industries and the implementation of the amended Vocational Training Act. It provides a tool kit with nine promotion instruments which cover a range from new contractual networks of several enterprises jointly acting as training providers, VET networks and external VET management to training place developers and regional VET facilitators. These instruments can be combined to meet regional and specific needs. Already existing structures are taken into account when regional demand is identified. In this way, the programme also aims to facilitate the economic interaction of new and existing funding measures. Other focal points include the following:

- Dovetailing of previously mostly isolated funding measures of the five separate programmes under the new Job Starter programme will result in synergy effects and greater effectiveness of the regional funding of VET structures.
- Funding conditions will be harmonised nationwide. Established and proven instruments and models developed under the RegioKom (East) and STARegio (West) programmes will be swapped. The new *Länder* in particular will benefit from the extended funding possibilities provided under the Job Starter programme.
- The key objective of the programme is the promotion and funding of contractual networks of several enterprises jointly acting as training providers, customised placement and support of VET and/or training place development, of the initiation and support of regional, sector- and occupation-related and thematic networks as well as of networks focusing on particular groups of occupations.
- Job Starter has been designed as a 'learning programme' which – through annual requests for proposals – can flexibly respond to current developments and identify new priorities.

In addition to 'vertical' programme implementation through project proposals and funding schemes, Job Starter also provides for a 'horizontal' part of the programme which is intended to continue and strengthen nationally successful and non-project-related activities conducted by the Federal Ministry of Education and Research, e.g. activities advertising contractual networks of several enterprises jointly acting as training providers and activities aiming at winning over and networking foreign-owned companies to provide VET. The programme permits funding of up to 50 major regional VET structure projects per year.<sup>17</sup>

### EVALUATION OF THE AMENDED VOCATIONAL TRAINING ACT

The amended Vocational Training Act entered into force on 1 April 2005, giving stakeholders in the field of vocational education and training much more organisational leeway. The central aspects of the reform will now have to be fleshed out and tested under practical conditions:

- Extended admission of external candidates<sup>18</sup> to examinations by chambers, especially of graduates of full-time school-based training courses pursuant to sec. 43(2) of the Vocational Training Act and transfer of previous vocational training credits pursuant to sec. 7 of the Vocational Training Act
- Using the possibilities of creditable and graded VET routes when redefining and reorganising training occupations
- Improved examination system comprising the following elements: extended final examination, consideration and inclusion of the candidates' vocational school performance in chamber examinations, possibility of including marks earned at vocational school in the chamber certificate, and translation of chamber certificates into other languages
- Making use of VET provided by a contractual network of several enterprises jointly acting as training providers, also across national borders
- More stays abroad during the training period
- Revised and newly designed VET statistics

<sup>17</sup> Maximum funding available for individual projects over a two-year period totals €300,000. If its success can be clearly demonstrated (improved regional VET structures, creation of additional training places), a project may be extended by up to 18 months. The aim of the projects is to achieve a lasting and sustainable effect which has to be demonstrated by financial contributions, continuous monitoring of project results and the need for involvement of regional VET providers. For further information see [www.jobstarter.de](http://www.jobstarter.de).

<sup>18</sup> Regular admission in special cases (examination of external candidates) is regulated in sec. 45 of the Vocational Training Act.

All this requires stakeholders in vocational education and training, in the *Länder*, in schools and business enterprises, in the competent agencies, especially the chambers, and within the jurisdiction of the Federal Government, to coordinate and harmonise their measures. Beginning in 2006, the Federal Ministry of Education and Research will evaluate the implementation of the reform goals, including the way in which the *Länder* use the greater scope of action they have been given. The key questions arising in this context are: Can the *Länder* make successful use of the possibility provided under sec. 7 of the Vocational Training Act of crediting attendance of a vocational school training course or initial training in some other facility wholly or in part towards the period of initial training? Do the *Länder* avail themselves of the option created under sec. 43(2) of the Vocational Training Act to admit graduates of specific full-time school-based training courses to chamber examinations and does this lead to relevant numbers of successful candidates? Can more conclusive VET statistics be generated? Prerequisite to all reform measures are active consultation and trusting co-operation among the learning centres of vocational education and training – schools and business enterprises – which will ensure a high level of training quality in the various forms and combinations conceivable.

The Federal Ministry of Education and Research will actively support the stakeholders in vocational education and training in implementing these reforms by organising regular communication and co-ordination events. On this basis, the success of the new instruments will be evaluated nationwide up until mid-2009.

#### ONGOING MODERNISATION OF JOB PROFILES

Against the backdrop of rapid technological development and an increasing international division of labour, job and qualification requirements are constantly evolving. This is why today- in addition to high-level initial vocational education and training – it is of particular importance continuously to widen one's knowledge base and to stabilise and systematise vocational qualification in emerging sectors of industry where the identification of qualification requirements and the development of dual VET structures pose particular challenges.

The objective of all these efforts is and remains to enable young people to work in a qualified occupation by providing the necessary vocational education and training and thus maintain the level and quality of VET under the dual system. During their working life skilled workers can increase their vocational competence and qualify for more responsible tasks by undergoing continuing vocational training (CVT). By taking into account structural and technological developments in the working world which often lead to new and sometimes more stringent quality require-

ments, this will help to maintain the qualification level of skilled workers and ensure that junior workers can qualify for middle-management and sometimes even higher management jobs in business enterprises.

The modernisation of recognised training occupations and CVT regulations is an ongoing task which is continued at a high level. The future viability of the dual system must be ensured, especially also in view of the requirements, including quantitative requirements, that it is currently facing. The business enterprise sector must be able to rely on the continuing high level of qualification of the next generation of skilled workers; young people must be shown long-term occupational prospects when they start VET. In this context, the fact should not be overlooked that in the final analysis this system is based on a restriction of young people's constitutional freedom to choose an occupation. This restriction, in turn, places the legislator under the obligation to respect the quality requirements set out in the Vocational Training Act which for the young people are a promise of high-quality training. The yardstick to be applied is whether vocational education and training as recognised under the Vocational Training Act qualifies young people to work in a skilled job. This is why the content and duration of VET have to satisfy this goal, and allowance has to be made for the fact that there are no entry requirements. If and when there are deficits, they should be made good – if possible, before entering a VET course under the dual system – by attending one of the preparation schemes for vocational education and training offered by the *Länder* and the Federal Employment Agency. In addition, it is possible for business enterprises to conclude training contracts with adults outside state-recognised training occupations to provide qualifications that meet their specific business requirements; such an approach does not conflict with either the Vocational Training Act or the system of recognised training occupations. The modernisation of training regulations and the creation of new training occupations will ensure the high quality of vocational education and training needed to meet the requirements of the business enterprise sector. New areas of activity for dual VET are being opened up which increases the chance of creating additional training places. The modernisation of continuing vocational training (CVT) creates the basis for qualifying skilled workers so they can take jobs at middle and higher management levels, and at the same time offers junior workers development opportunities. When they are shown career paths in the vocational education and training system, capable school leavers can be won over to embark on a VET course under the dual system. Also in terms of educational economics it may make sense to be able to reach higher-level positions through initial and continuing VET and experience gained on the job.

By 1 August 2006, 18 training regulations will be restructured and modernised and four new training occupations will be created. For dialogue marketing the credit transfer model will be introduced under which formal qualifications in a recognised training occupation can already be acquired after two years. Regarding all forthcoming modernisation projects, it will be considered whether this training structure or graded training would be a possibility and make sense. Furthermore, processes and instruments for the early identification of new qualification requirements in traditional and new jobs and job families will have to be developed and tested.

The amendment of existing CVT regulations and the development of new ones are being continued. Part of this process is the evaluation of the IT continuing education and training system and of fundamentally new regulations such as the one currently discussed for CVT in the construction sector which would include informally acquired skills and the development of a system in which the various elements build on each other. To boost the success of these CVT schemes they need to be better advertised in order to raise the awareness of potential candidates and business enterprises.

#### IMPROVING THE EASE OF MOVEMENT BETWEEN, AND DOVETAILING OF, INITIAL AND CONTINUING VOCATIONAL EDUCATION AND TRAINING

In view of the foreseeable effects of demographic developments, Germany as a knowledge society must make greater efforts to exhaust all skill potentials available. To this end, barriers need to be removed within the various tiers of the education system. Educational pathways outside the traditional general education system must not end up in dead-end streets. This applies to participation in vocational preparation schemes and the crediting of skills acquired in a VET course as well as to CVT courses and the option (which needs to be opened up) to have the credits acquired in this way transferred to subsequent higher education courses

A dynamic business enterprise sector which strives to meet the requirements of the future needs skilled labour at all levels. In the interest of industry, society and the individual, better conditions have to be created to develop, improve and make optimal use of individual qualifications and performance potentials. In this process, it must be possible to build on already existing skills and competences without having to invest additional valuable time in the formal acquisition of exactly the same qualifications.

The Federal Government intends to develop a systematic and consistent concept for a general setting which supports the commitment of the individual and of business enterprises to life-long learning and continuing education

during a person's entire working life. Continuing education will be established in the medium term as the fourth pillar of the education system. In this process, the large number of CVT schemes and programmes will be made more transparent through optimised educational counselling, and quality assurance in this field will be extended. The challenge is now to develop financing models for continuing education and training that ensure that the general public, industry and the individual can contribute in an adequate and fair way.

The Federal Ministry of Education and Research will consider amending the Upgrading Training Assistance Act (*Aufstiegsfortbildungsförderungsgesetz – AFBG*) with a view to making allowance for recent developments such as the modularisation of CVT courses, the changes in the way in which individuals approach and enrol in initial and continuing vocational education and training, and the increasing internationalisation of VET. The aim is to make quality requirements for schemes and providers more stringent and to ensure that funding is more success-oriented and performance-driven.

Together with the *Länder*, uniform nationwide standards should be developed for the access of individuals with vocational qualifications to higher education, and existing legal barriers to transferring vocational credits to higher education courses must be removed. The aim is to open higher education institutions to this target group and to shorten their study periods in recognition of their existing qualifications. In the summer of 2005, the Federal Ministry of Education and Research launched eleven projects which will compare the qualifications of persons who underwent CVT courses with the requirements of corresponding higher education courses and develop transferable accreditation systems.<sup>19</sup>

#### Optimising transition management

The various vocational preparation schemes run by the *Länder* and the Federal Employment Agency will have to be reviewed to identify possibilities for a better co-ordination. The basis for this process should be the new concept devised by the Agency to develop a system of dovetailed schemes which build on each other. This system will be more geared to young people's individual need for support, avoid careers based exclusively on support schemes and thus also contribute towards an efficient use of resources.

The support of disadvantaged persons has to be evolved as an integral part of vocational education and training. Also socially disadvantaged young people and low achievers must be given the opportunity through individual support

<sup>19</sup> Cf. Part II, chapter 4.2. Developments in regulated CVT.

to acquire formal vocational qualifications. This means that, according to their individual situation, these young people have to be supported and qualified in such a way that they can find their way into VET and employment without any unnecessary breaks and hold-ups.

The final phase of the BQF programme (Promoting skills – vocational qualification for target groups needing special support – *Kompetenzen fördern – Berufliche Qualifizierung für Zielgruppen mit besonderem Förderbedarf*) which is run by the Federal Ministry of Education and Research and will end in late 2006, will focus on analysing and evaluating the results of the various projects and on processing them for wider dissemination.

The resulting follow-up activities will focus on

- the continuation of proven preparation schemes for vocational education and training (also introductory training), schemes to improve training maturity and assistance during training; the training advisors of the employment agencies will play a special role in integrating these young people;
- translating the results and recommendations of the Training Pact working group on School and Industry into specific school- and company-based activities; to this end, supporting measures to be provided by the parties to the Pact and the *Länder* are necessary;
- funding projects which in an exemplary way implement dual system approaches to VET preparation and to the vocational education and training of disadvantaged young people through closer regional co-operation among learning venues and through external VET management.

Analysing and processing the experience and results of the BQF programme will help to achieve the widest possible dissemination of results that can be transferred and are worth transferring, and at the same time the findings gained will be incorporated in a new programme comprising the activities outlined above. Co-operation between schools and the business enterprise sector to improve training maturity, career orientation and the management of transition from school to VET will be intensified. The concept of qualification modules will be more strongly integrated into the promotion of in-company preparation programmes for vocational education and training and at the same time developed further and improved. The training advisors at the employment agencies will be able to make optimal use of the support schemes available in the region and thus concentrate on their primary task of providing young people with training places. In doing so, they will focus on the regional training and labour markets and co-operate closely with the regional players.

According to the microcensus data of the year 2004, about 1.3 million young people between 20 and 29 years of age did not complete their vocational training. This means that unskilled young people accounted for 14.9 per cent of the corresponding resident population.<sup>20</sup> New possibilities must be opened up for these young adults without any vocational qualification to give them the opportunity subsequently to acquire vocational skills. Concepts providing for a combination of work and training will be developed to achieve this objective.

Young people with a migration background must be better integrated into the vocational education and training system. Supporting young people with a migration background will remain a cross-cutting task in the programmes for the disadvantaged and the return-to-learn programmes. In addition, the counselling processes for young people and their parents and the quality of services rendered by the counselling staff (intercultural skills) will be improved.

### European challenges

Co-operation in the European Union in the field of general and vocational education and training is progressing swiftly. The intended creation of a European Education Area by 2010 in the course of the Lisbon process agreed by the heads of government highlights the important role that education plays in the European Union. This applies in particular to vocational education and training whose significance was emphasised politically by the Copenhagen process. This process was agreed by more than 30 European ministers and aims to improve the mobility, transparency, credit transfer and quality of VET systems and qualifications. For Germany this means:

#### STRENGTHENING THE EUROPEAN DIMENSION IN VET

Numerous studies have demonstrated that – with the exception of border regions – professional mobility in Europe is still underdeveloped. However, in view of demographic developments and the EU enlargement which offers all member states new opportunities, changes can be expected. Greater advantage should be taken of these opportunities. It must be made sure at the European and national levels that workers will be fit for the common labour market. In this context, initial and continuing vocational education and training are of special importance. In addition to placing greater emphasis on intercultural and linguistic skills in the training regulations and framework curricula of relevant occupations, the amended Vocational Training Act has made a major step forward by

<sup>20</sup> Cf. the results of the microcensus in Part II, chapter 2.2.10.

permitting extended stays abroad of up to one quarter of the total training period prescribed by the training regulation.

#### IMPROVING THE TRANSPARENCY OF QUALIFICATIONS, INFORMATION AND COUNSELLING

The newly introduced EUROPASS Community framework provides all potential applicants with easily accessible and user-friendly documentation which can significantly contribute to mobility in Europe. The combination in one single document of previously separately developed documents – a step designed to increase the transparency of skills and qualifications – can help improve the acceptance of European qualifications in national labour markets.

The challenge for the next few years will be to make these instruments – the European CV and EUROPASS in particular – widely known and implement them across the board, and also to develop EUROPASS Certificate Supplements for all vocational qualifications. In the years to come, this new tool will be implemented on a broad basis and its user friendliness will be tested.

#### CREDIT TRANSFER AND RECOGNITION OF SKILLS AND QUALIFICATIONS

Compared with the aim of creating more transparency, the aim of achieving credit transfers and the recognition of qualifications is much more complex and complicated. Considerable efforts will have to be made in this area to develop practicable concepts and measures which will build truly European-wide confidence.

Unfortunately, initial and continuing vocational education and training qualifications acquired under the German dual system could not be adequately accommodated in the five-level structure laid down in the EU Directive on the recognition of professional qualifications in regulated professions. However, the performance-driven and skill-based approach taken by the European Qualification Framework (EQF) opens up the possibility of classifying learning outcomes irrespective of the type, place and period of learning, thus also making appropriate allowance for work-based types of training when recognising qualifications and transferring learning credits. The Federal Ministry of Education and Research, as the lead department, is actively involved in designing and shaping this process in Europe.

The EQF aims at facilitating vertical and horizontal mobility within and between the European education and training systems; at the same time, it intends to enable a quick and efficient classification of people's qualification profiles to be made for the purposes of the European labour market. In the EU, it will permit a qualitative comparison and classification of the skills and qualifications acquired

within the framework of a hierarchical system ranging from general to higher education. Classification will be performed by the member states themselves; the EQF is clearly not a binding legal instrument, but will rather serve as a 'translation aid' and tool to improve transparency. For Germany, this is of particular importance, not least with regard to the adequate and skill-based valuation of German educational qualifications and hence to an appropriate classification at EU level of VET qualifications acquired under the dual system and of CVT qualifications. This is why it is especially important for the evolution of VET to maintain the performance levels characteristic of the various tiers. This also helps to achieve further political objectives, especially improving the ease of movement between the various educational sectors, and the opportunity of transferring from CVT to higher education in particular.

In its first response, Germany welcomed the development of a European Qualifications Framework which describes learning outcomes and skills by means of a few descriptors and reference levels. The response also addressed some areas where the Federal and *Länder* governments had identified a need for revision, research and testing.

The EQF can play a central role as a translation tool in the communication between the education and training systems of the member states. Common descriptions of qualifications, defined on the basis of learning outcomes and competences and assigned to reference levels, can make a significant contribution to easing communication across national borders and education systems in the educational co-operation process in Europe. The differences between the various education and training systems and the member states' responsibility to design and shape such systems, however, will remain unaffected.

In order to make allowance for the different conditions in the member states, on the one hand, and ensure an appropriate competence-based classification of qualifications acquired in the member states (especially the qualifications acquired under the dual system as well as CVT qualifications) on the other hand, the Federal Government confirmed its intention to consider the development of a national qualifications framework covering all educational sectors. There is no disagreement over the intended objectives (transparency, credit transfer and recognition, ease of movement between the educational sectors), but the question as to how these objectives can be attained has raised issues that the stakeholders (Federal and *Länder* governments, the social partners) will have to discuss and resolve in a national dialogue. However, experience in other European countries has shown that this is an ambitious exercise for which sufficient time is needed to include all players in the general, vocational and higher education sectors. The existing German higher education

qualifications framework could serve as a basis for such a dialogue.

Closely linked with this project is the creation of a European Credit Transfer System for Vocational Education and Training (ECVET) which is another priority of the Maastricht Declaration and will be co-ordinated with the European Qualifications Framework and developed at the same time. The aim is to devise a master model permitting credit points to be allocated for learning achievements and learning outcomes. The credit point system will contribute to improving the quality of vocational education and training, to increasing mobility within the VET system, and to improving the value of, and transfer of credits for, transnational qualifications. In the longer term, it is envisaged to link ECVET with ECTS in the higher education sector and develop a coherent and comprehensive strategy, permitting the transfer of credits for learning outcomes and competences and hence greater ease of progression to higher education. To develop practicable principles and processes, pilot projects are needed such as the schemes conducted under the LEONARDO programme, under the BLK's Development of dual study courses in higher education programme (*Weiterentwicklung dualer Studiengänge im tertiären Bereich*) or the Transfer of credits for vocational skills to higher education courses project (*Anrechnung beruflicher Kompetenzen auf Hochschulstudiengänge*) of the Federal Ministry of Education and Research. Testing these development activities under practical conditions is of key importance, because credit transfer and recognition mechanisms must not turn into an obstacle to mobility due to additional red tape or systemic changes. The results of these programmes can serve as foundations for establishing a qualitative credit point system across educational sectors.

One of the aims of this exercise is to make the opening of the German education system at the European level not only legally possible (see Framework Act for Higher Education, amended Vocational Training Act and other measures promoting opening the system and co-operation at the European level), but actually to improve it, fill it with life and make it visible and useful for the population in general.

#### DEVELOPING COMMON INSTRUMENTS FOR QUALITY ASSURANCE IN VOCATIONAL EDUCATION AND TRAINING

With the development of TNet Germany –Innovation network for qualifying trainers and teachers in VET (*TNet<sup>21</sup> Deutschland – Innovationsnetzwerk für die Qualifizierung von Ausbildungs- und Lehrpersonal in der beruflichen Bildung*) a platform was created which addresses questions

of qualifying and developing teaching and training staff within a European reference framework. One of the functions of the network is to promote the discussion and development of national key issues regarding teachers and trainers and to identify and disseminate innovative practices and approaches.

In view of the transparency and transfer instruments developed at the European level, we are confronted with the task of pushing quality assurance in vocational education and training at the national level as well in order to strengthen mutual trust in the value of qualifications.

<sup>21</sup> Training of Trainers Network,

## 4. Training place situation 2005 – facts and figures

According to the statutory definition laid down in sec. 86 (2) of the Vocational Training Act, the supply of training places is calculated on the basis of the number of new training contracts concluded by 30 September plus the training vacancies registered with the Federal Employment Agency<sup>22</sup>. Demand for training places is calculated as the number of new training contracts concluded by 30 September plus the number of applicants still seeking places who are registered with the Agency. There are also a supply of, and demand for, training places that are not registered and hence hard to quantify.<sup>23</sup>

According to this definition, the number of training places available on 30 September 2005 was 562,816; this was 23,558 fewer training places or 4.0 per cent less than in 2004. In the year before, there had been an increase by 13,900. At the same time, the number of applicants dropped to 591,080, down 26,476 on the previous year. The supply/demand ratio has improved slightly, with 95.2 training places per 100 applicants nationwide, compared with 95 training places per 100 applicants in 2004 (cf. **Table 1**).

### NEW TRAINING CONTRACTS CONCLUDED BY 30 SEPTEMBER 2005

In the period from 1 October 2004 to 30 September 2005, 550,180 new training contracts were concluded nationwide.<sup>24</sup> This is a drop by 22,800 or 4.0 per cent which demonstrates that after the positive result of the previous year the negative trend of former years continues.

In 2005, a drop in the number of new training contracts was registered in all training sectors, with the exception of maritime shipping. The largest decline nationwide in absolute terms was suffered by craft and skilled trades (-11,265 or -6.7 per cent), followed by trade and industry (-6,594 or -2.0 per cent), the liberal professions (-2,921 or -6.3 per cent) and the public service sector (-959 or -6.3 per cent). Fewer

training contracts were also concluded in domestic services (-757 or -15.5 per cent) and in agriculture (-406 or -2.7 per cent).<sup>25</sup>

A substantial number of training contracts concluded in the entire public service sector, i.e. the administrations at federal, Länder and local levels, are recorded in the statistics of other training sectors, in particular trade and industry. This also applies to part of the training provided in the liberal professions. After the increase of 20 per cent agreed under the Training Pact in 2004 had been clearly exceeded with a growth of 30 per cent, the number of training contracts concluded at federal administration level was raised even further (+1,100 new training contracts compared with the previous year).<sup>26</sup> At the direct federal administration level (i.e. government departments and subordinate authorities) there were about 11,000 training contracts, while at the indirect level – for which the Federal Government had not entered into a commitment under the Training Pact – there were 7,700 trainees by the end of the year.

Pursuant to sec. 66 of the Vocational Training Act and sec. 42m of the Crafts Code, VET committees of the competent bodies can make suitable training arrangements for disabled persons for whom initial training in a recognised training occupation is not an option due to the nature and severity of their disabilities. Such arrangements will be based on recommendations of the Board of the Federal Institute for Vocational Education and Training and on proposals made by the Institute's committee on disabled affairs and developed on the basis of recognised training occupations. Under these arrangements, 13,292 new training contracts were concluded nationwide in 2005 (western Germany: 7,283; eastern Germany: 6,009). This is 1,469 fewer training contracts or 10 per cent less than in 2004 (14,761). This decline was much stronger than the general trend (-3.7 per cent). At 5.2 per cent of the total number of new training contracts, the percentage of training contracts for the disabled was substantially higher in eastern Germany and Berlin than in western Germany where it was 1.7 per cent.

### WESTERN GERMANY

A total of 434,162 new training contracts were concluded in western Germany. This is 14,714 or 3.3 per cent down on the year before (cf. **Table 2**). Due to demographic develop-

<sup>22</sup> The Agency draws attention to the fact that, due to a change in the data processing programme, some of the VET statistics for individual Agency districts are preliminary in nature. In addition, the impact of the Social Security Code II must be considered which entered into force on 1 January 2005 and also permits local government agencies to engage in placement activities. The data analysed are data collected exclusively according to the Agency's own procedure.

<sup>23</sup> E.g. there may well have been additional vacancies which had not been filled by 30 September. This is reflected in the results of the IAB Establishment Panel even though the current survey covers 2004, cf. Part II, chapter 2.3.1. Since business enterprises and public administrations are not obliged to register their vacancies with the Agency, their unfilled training places could not be included in the statistics.

<sup>24</sup> Cf. Part II, chapter 1.1.1.

<sup>25</sup> The BIBB draws attention to the fact that in some Länder occupations in the domestic services and public service sectors were reassigned to other competent bodies (partly registered with the local chamber of industry and commerce) so that a full comparison of the data with those of previous years is not possible.

<sup>26</sup> Due to the fact that in some cases VET started in October, the cut-off date of the survey of new training contracts conducted by the Federal Ministry of the Interior was 15 October.

Table 1: New training contracts, supply and demand, 1992 to 2005

	New training contracts		Unfilled training vacancies	Applicants not yet placed <sup>1)</sup>	Supply	Demand <sup>1)</sup>	Supply/demand ratio	Balance	Change over previous year in %				
	Number	%							Contracts	Supply	Demand <sup>1)</sup>		
<b>Nationwide</b>													
1992	595,215	126,610	12,975	721,825	608,190	118.7	113,635	-	-	-	-	-	-
1993	570,120	85,737	17,759	655,857	587,879	111.6	67,978	-4.2	-9.1	-	-	-	-3.3
1994	568,082	54,152	18,970	622,234	587,052	106.0	35,182	-0.4	-5.1	-0.1	-	-	-0.1
1995	572,774	44,214	24,962	616,988	597,736	103.2	19,252	0.8	-0.8	1.8	-	-	1.8
1996	574,327	34,947	38,458	609,274	612,785	99.4	-3,511	0.3	-1.3	2.5	-	-	2.5
1997	587,517	25,864	47,421	613,381	634,938	96.6	-21,557	2.3	0.7	3.6	-	-	3.6
1998	612,529	23,404	35,675	635,933	648,204	98.1	-12,271	4.3	3.7	2.1	-	-	2.1
1999	631,015	23,439	29,365	654,454	660,380	99.1	-5,926	3.0	2.9	1.9	-	-	1.9
2000	621,693	25,690	23,642	647,383	645,335	100.3	2,048	-1.5	-1.1	-2.3	-	-	-2.3
2001	614,238	24,535	20,462	638,773	634,700	100.6	4,073	-1.2	-1.3	-1.6	-	-	-1.6
2002	572,323	18,005	23,383	590,328	595,706	99.1	-5,378	-6.8	-7.6	-6.1	-	-	-6.1
2003	557,634	14,840	35,015	572,474	592,649	96.6	-20,175	-2.6	-3.0	-0.5	-	-	-0.5
2004	572,980	13,394	44,576	586,374	617,556	95.0	-31,182	2.8	2.4	4.2	-	-	4.2
2005	550,180	12,636	40,900	562,816	591,080	95.2	-28,264	-4.0	-4.0	-4.3	-	-	-4.3
<b>Western Germany</b>													
1992	484,954	122,953	10,948	607,907	495,902	122.6	112,005	-	-	-	-	-	-
1993	456,959	83,307	13,905	540,266	470,864	114.7	69,402	-5.8	-11.1	-	-	-	-5.0
1994	435,388	52,462	16,902	487,850	452,290	107.9	35,560	-4.7	-9.7	-3.9	-	-	-3.9
1995	436,082	42,889	18,821	478,971	454,903	105.3	24,068	0.2	-1.8	0.6	-	-	0.6
1996	434,648	33,642	23,896	468,290	458,544	102.1	9,746	-0.3	-2.2	0.8	-	-	0.8
1997	448,323	25,112	30,793	473,435	479,116	98.8	-5,681	3.1	1.1	4.5	-	-	4.5
1998	468,732	22,775	22,297	491,507	491,029	100.1	478	4.6	3.8	2.5	-	-	2.5
1999	482,213	22,657	18,517	504,870	500,730	100.8	4,140	2.9	2.7	2.0	-	-	2.0
2000	483,082	24,760	14,214	507,842	497,296	102.1	10,546	0.2	0.6	-0.7	-	-	-0.7
2001	480,183	23,618	11,962	503,801	492,145	102.4	11,656	-0.6	-0.8	-1.0	-	-	-1.0
2002	447,426	17,123	13,180	464,549	460,606	100.9	3,943	-6.8	-7.8	-6.4	-	-	-6.4
2003	434,747	13,994	22,267	448,741	457,014	98.2	-8,273	-2.8	-3.4	-0.8	-	-	-0.8
2004	448,876	12,549	29,677	461,425	478,553	96.4	-17,128	3.2	2.8	4.7	-	-	4.7
2005	434,162	11,786	29,746	445,948	463,908	96.1	-17,960	-3.3	-3.4	-3.1	-	-	-3.1
<b>Eastern Germany</b>													
1992	110,261	3,657	2,027	113,918	112,288	101.5	1,630	-	-	-	-	-	-
1993	113,161	2,430	3,854	115,591	117,015	98.8	-1,424	2.6	1.5	4.2	-	-	4.2
1994	132,694	1,690	2,068	134,384	134,762	99.7	-378	17.3	16.3	15.2	-	-	15.2
1995	136,692	1,325	6,141	138,017	142,833	96.6	-4,816	3.0	2.7	6.0	-	-	6.0
1996	139,679	1,305	14,562	140,984	154,241	91.4	-13,257	2.2	2.1	8.0	-	-	8.0
1997	139,194	752	16,628	139,946	155,822	89.8	-15,876	-0.3	-0.7	1.0	-	-	1.0
1998	143,797	629	13,378	144,426	157,175	91.9	-12,749	3.3	3.2	0.9	-	-	0.9
1999	148,802	782	10,848	149,584	159,650	93.7	-10,066	3.5	3.6	1.6	-	-	1.6
2000	138,611	930	9,428	139,541	148,039	94.3	-8,498	-6.8	-6.7	-7.3	-	-	-7.3
2001	134,055	917	8,500	134,972	142,555	94.7	-7,583	-3.3	-3.3	-3.7	-	-	-3.7
2002	124,897	882	10,203	125,779	135,100	93.1	-9,321	-6.8	-6.8	-5.2	-	-	-5.2
2003	122,887	846	12,748	123,733	135,635	91.2	-11,902	-1.6	-1.6	0.4	-	-	0.4
2004	124,104	845	14,899	124,949	139,003	89.9	-14,054	1.0	1.0	2.5	-	-	2.5
2005	116,018	850	11,154	116,868	127,172	91.9	-10,304	-6.5	-6.5	-8.5	-	-	-8.5

<sup>1)</sup> Not including applicants resident abroad. Due to a change in regional allocation, a full comparison with data collected prior to 2005 is not possible.

ments, the need for more training places will continue to exist until 2010 if the VET opportunities of young people are not to deteriorate further.

In craft and skilled trades, the number of new training contracts plunged by 8,257 or 6.1 per cent, while trade and industry suffered a decline of 2,741 or 1.1 per cent compared with the previous year. In the liberal professions the number of new training contracts again dropped significantly by 2,292 or 5.6 per cent. 481 fewer contracts (-4.1 per cent) were concluded in the public service sector. The number of new training contracts also fell in agriculture (-300 or -2.9 per cent) and domestic services (-738 or -15.5 per cent). Maritime shipping, however, experienced a reverse trend with an increase of 95 new contracts or 51.4 per cent.

#### EASTERN GERMANY AND BERLIN

In eastern Germany and Berlin, the number of new training contracts fell by 8,086 or 6.5 per cent to 116,018. Compared with western Germany, the drop in absolute terms was most significant in trade and industry with -3,853 or -5.1 per cent (cf. **Table 2**), followed by craft and skilled trades (-3,008 or -9.3 per cent) and the liberal professions with a decline of 629 contracts (10.7 per cent). In the public service sector, 478 fewer new contracts were registered (-12.9 per cent). In agriculture (-106 or -2.2 per cent) and domestic services (-19 or -1.3 per cent) the number of new training contracts was slightly lower than in the year before, while 7 more contracts were concluded in maritime shipping.

#### TRENDS IN COMPANY-BASED AND NON-COMPANY TRAINING

When assessing trends in the training market, it is important not only to examine the supply of, and demand for, training places, but also to look at the number of new contracts for in-company training in particular.<sup>27</sup> Neither the data recorded up to 30 September by the Federal Institute for Vocational Education and Training nor the figures compiled up to 31 December by the Federal Statistical Office allow a direct distinction to be made between contracts for genuine in-company training not covered by one of the government's special programmes on the one hand, and non-company training of disadvantaged persons pursuant to sec. 421(2) of the Social Code III and the training of disabled persons pursuant to sec. 102 of the Social Code III, on the other hand. Since 1998 the BIBB has calculated the number of exclusively in-company training contracts, but these calculations are fraught with uncertainties.<sup>28</sup>

<sup>27</sup> Cf. Part II, chapter 1.1.1.

<sup>28</sup> For problems associated with this method cf. Part II, chapter 1.1.1.

According to these calculations, the number of new in-company training contracts concluded in 2005 dropped by 13,737 or 2.6 per cent. With a total of 505,191, it was above the half-million mark and also by 7,926 higher than the low level of only 497,265 in-company training contracts registered in 2003.

Training contracts and/or programme training places that were mostly publicly funded also saw a decline in numbers. With 44,989 non-company training contracts nationwide, the total was down 9,063 or 16.7 per cent on the year before.<sup>29</sup> This might in part be attributable to the subsequent use in October of training places provided under the Federal and *Länder* governments' 2005 programme for training places for eastern Germany.

In western Germany, about 96 per cent of new training contracts were concluded in the business enterprise sector, while just under 4 per cent of young people began VET under one of the above-mentioned programmes designed to supplement the supply of in-company training places. In absolute terms, 15,585 training contracts were fully publicly financed. 14,586 of these contracts or 93 per cent were funded by the Federal Employment Agency.<sup>30</sup>

In eastern Germany, just under 75 per cent of new training contracts were concluded in the business enterprise sector, while about 25 per cent of young people began VET under programmes for the disadvantaged and disabled pursuant to the Social Code III, under the Federal and *Länder* governments' 2005 programme for training places for eastern Germany, immediate action programmes organised by eastern *Länder* and – to a small extent – under the Immediate Action Programme for Young People (Article 4). In absolute terms, 29,404 training contracts were publicly financed, among them 15,064 contracts, or slightly more than 50 per cent, which were funded under schemes run by the Federal Employment Agency; the other half were financed under special government programmes in the eastern *Länder*.

#### GENDER-SPECIFIC DIFFERENTIATIONS

Since 2002 the survey of new training contracts conducted by the Federal Institute for Vocational Education and Training has permitted a break-down of numbers by gender. This survey showed that in the period from 2002 to 2004

<sup>29</sup> Cf. Part II, chapter 1.1.1 and Table 1.1.1/5. It should also be noted that not all publicly financed non-company training places are included in the statistics. Especially places provided by approved local government agencies according to the Social Code II are not included. A survey conducted by the Federal Ministry of Labour and Social Affairs identified about 3,200 additional non-company training places that were to be created by late December 2005.

<sup>30</sup> For individual schemes and programmes cf. Part II, chapter 1.1.1 and Table 1.1.1/5.

**Table 2: New training contracts by training sectors, 1992 to 2005**

	1999		2000		2001		2002		2003		2004		2005		Change over previous year		
	Number	Change over previous year %	Number	Change over previous year %	Number	Change over previous year %	Number	Change over previous year %	Number	Change over previous year %	Number	Change over previous year %	Number	Change over previous year %	Number	%	
<b>Western Germany</b>																	
Trade and industry	250,545	2.2	258,693	1.1	237,339	-8.3	234,092	-1.4	246,836	5.4	244,095	-1.1	244,095	5.4	244,095	5.4	-1.1
Craft and skilled trades	162,037	-3.4	150,025	-4.1	139,477	-7.0	133,536	-4.3	135,936	1.8	127,679	-6.1	127,679	1.8	127,679	1.8	-6.1
Public service sector <sup>1)</sup>	11,486	2.0	11,521	-1.6	11,214	-2.7	10,606	-5.4	11,432	7.8	10,951	-4.2	10,951	7.8	10,951	7.8	-4.2
Agriculture	10,719	-5.1	9,221	-9.4	9,492	2.9	10,061	6.0	10,395	3.3	10,095	-2.9	10,095	3.3	10,095	3.3	-2.9
Liberal professions <sup>1)</sup>	43,880	3.0	47,173	4.4	46,467	-1.5	43,127	-7.2	40,669	-5.7	38,377	-5.6	38,377	-5.7	38,377	-5.7	-5.6
Domestic services <sup>1)</sup>	3,404	0.0	3,419	0.4	3,287	-3.9	3,188	-3.0	3,423	7.4	2,685	-21.6	2,685	7.4	2,685	7.4	-21.6
Maritime shipping	142	-10.6	131	3.1	150	14.5	137	-8.7	185	35.0	280	51.4	280	35.0	280	35.0	51.4
<b>Total</b>	<b>482,213</b>	<b>0.2</b>	<b>480,183</b>	<b>-0.6</b>	<b>447,426</b>	<b>-6.8</b>	<b>434,747</b>	<b>-2.8</b>	<b>448,876</b>	<b>3.2</b>	<b>434,162</b>	<b>-3.3</b>	<b>434,162</b>	<b>3.2</b>	<b>434,162</b>	<b>3.2</b>	<b>-3.3</b>
<b>Eastern Germany and Berlin</b>																	
Trade and industry	83,006	-5.5	78,528	0.1	74,024	-5.7	74,473	0.6	75,923	1.9	72,070	-5.1	72,070	1.9	72,070	1.9	-5.1
Craft and skilled trades	48,513	-11.4	38,439	-10.6	34,411	-10.5	32,247	-6.3	32,354	0.3	29,346	-9.3	29,346	0.3	29,346	0.3	-9.3
Public service sector <sup>1)</sup>	3,454	12.0	3,859	-0.2	3,601	-6.7	3,216	-10.7	3,698	15.0	3,220	-12.9	3,220	15.0	3,220	15.0	-12.9
Agriculture	4,935	-7.6	4,474	-1.8	4,499	0.6	4,949	10.0	4,796	-3.1	4,690	-2.2	4,690	-3.1	4,690	-3.1	-2.2
Liberal professions <sup>1)</sup>	7,163	2.1	7,145	-2.3	6,787	-5.0	6,281	-7.5	5,869	-6.6	5,240	-10.7	5,240	-6.6	5,240	-6.6	-10.7
Domestic services <sup>1)</sup>	1,714	-15.8	1,607	11.4	1,543	-4.0	1,711	10.9	1,453	-15.1	1,434	-1.3	1,434	-15.1	1,434	-15.1	-1.3
Maritime shipping	17	13	3	-76.9	32	966.7	10	-68.8	11	10.0	18	63.6	18	10.0	18	10.0	63.6
<b>Total</b>	<b>148,802</b>	<b>-6.8</b>	<b>134,055</b>	<b>-3.3</b>	<b>124,897</b>	<b>-6.8</b>	<b>122,887</b>	<b>-1.6</b>	<b>124,104</b>	<b>1.0</b>	<b>116,018</b>	<b>-6.5</b>	<b>116,018</b>	<b>1.0</b>	<b>116,018</b>	<b>1.0</b>	<b>-6.5</b>
East-West mobility: <sup>3)</sup>	13,970	3.1	13,140	-8.8	11,535	-12.2	15,352	33.1	14,500	-5.5	9,000	-37.9	9,000	-5.5	9,000	-5.5	-37.9
<b>Contracts concluded by young people from eastern Germany and Berlin</b>																	
<b>Total</b>	<b>162,772</b>	<b>-6.0</b>	<b>147,195</b>	<b>-3.8</b>	<b>136,432</b>	<b>-7.3</b>	<b>138,239</b>	<b>1.3</b>	<b>138,604</b>	<b>0.3</b>	<b>125,018</b>	<b>-9.8</b>	<b>125,018</b>	<b>0.3</b>	<b>125,018</b>	<b>0.3</b>	<b>-9.8</b>

<sup>1)</sup> Not including new training contracts which are under the jurisdiction of other agencies (chambers).

<sup>2)</sup> Not including civil service career training.

<sup>3)</sup> Additional survey conducted by the Federal Institute for Vocational Education and Training at west German vocational schools regarding students from eastern Germany who had started VET in western Germany (2004 and 2005 data estimated).

the number of young women among first-year trainees had dropped. Young women could benefit only to a limited extent from the increase in the number of training places available in 2004, since 12,053 or 78.5 per cent of the 15,346 additional training contracts concluded in 2004 were accounted for young males and only 3,293 or 21.5 per cent by young women. On the other hand, young women were not hit as hard as young men by the decline that occurred again in 2005. While the number of new training contracts concluded with females fell by 9,360 or 3.9 per cent, new training contracts concluded with males decreased by 13,440 or 4.0 per cent. In 2005, 229,891 or 41.8 per cent of training contracts were concluded with young women and 320,289 or 58.2 per cent with young men.<sup>31</sup>

A clear gender bias can be observed in many job families.<sup>32</sup> In 2005, less than five per cent of first-year trainees in the occupations of the metal-working and electrical sectors were young women, in the building trade and associated occupations and in occupations in the transport sector it was less than ten per cent. On the other hand, women were overrepresented, with shares between 55 and 80 per cent, in administrative and office-based occupations, in body care, domestic services and cleaning occupations, in occupations in the goods and service sectors including health care occupations (94.1 per cent), and in occupations in the textile clothing and leather goods industries.

#### APPLICANTS WITHOUT TRAINING PLACES ON 30 SEPTEMBER 2005

According to the training statistics of the Federal Employment Agency, the number of applicants<sup>33</sup> who had not been placed by 30 September 2005 dropped by 3,676 or 8.2 per cent – compared with 2004 – to a total of 40,900 (percentage of young women: 45.3 per cent). This is 5.4 per cent of the 740,700 young people who had registered as applicants with the Federal Employment Agency in the 2004/2005 placement year. The number of unfilled vacancies continued to drop slightly by 758 or 5.7 per cent to 12,636. This is 2.7 per cent of a total of 471,477 training places registered with the Federal Employment Agency. At 28,264, the purely arithmetic difference between registered training vacancies and applicants still seeking a training place was slightly smaller than in the year before (about 32,200).

On 30 September 2005, 29,746 unsuccessful applicants were registered in western Germany (+69 or +0.2 per cent); the percentage of young women was 45.7 per cent. On the

other hand, there were still 11,786 training vacancies. This means that according to the statistics of the Federal Employment Agency, the training place balance in western Germany was negative for the third year running. In 2005, not a single *Land* (constituent state) could close the books on the 2004/2005 vocational guidance year with an at least arithmetically positive balance. Moreover, the training market was still suffering from regional and structural imbalances. Among the regions with a major shortage of training places were, first and foremost, the city states of Hamburg and Bremen where the demand for training places was increased by a major number of young people commuting from the rural surroundings. There were also regions still undergoing industrial changes, structurally weak rural areas and regions adjacent to eastern *Länder* where also young people from eastern Germany were looking for training places. Among the 141 Agency districts in western Germany, there were only 25 districts which registered more training vacancies than unplaced applicants.

On the other hand, in Agency districts with a better training place situation applicants could initially not be placed because either none of the training places still available suited their career plans or the applicants' qualifications did not match the requirements of the businesses offering training. About 55 per cent of the unfilled training vacancies registered with the Federal Employment Agency on 30 September 2005, totalling 6,942 nationwide, were offered in the sector covered by chambers of industry and commerce, 32 per cent or about 4,000 were offered in the craft and skilled trades sector.

In eastern Germany and Berlin, the number of applicants still not placed on 30 September 2005 was 11,154 (percentage of young women: 44.3 per cent), while 850 in-company training vacancies were still unfilled. On 30 September 2005, all 37 Agency districts registered a shortage of training places. It should be noted, however, that on the cut-off date some 9,500 training places were not yet filled which had been jointly provided under the Federal and *Länder* governments' 2005 training place programme for eastern Germany (5,594 training places) and the supplementary *Länder* programmes (3,895 training places).

#### SUBSEQUENT PLACEMENT UP TO 31 DECEMBER 2005

Under the Training Pact concluded in June 2004 it was also agreed that agencies, chambers of industry and commerce and chambers of skilled crafts and small businesses would jointly organise subsequent placement campaigns in the region to match even better than before unplaced applicants and training places that were still unfilled or had become vacant again. To optimise this matching process a number of new instruments were employed, such as

<sup>31</sup> However, the percentage of young women acquiring qualifications at full-time vocational schools and schools for health care professions is disproportionately high. For details cf. Part II, chapter 2.5.

<sup>32</sup> Cf. Part II, chapter 1.1.1 and Table 1.1.1/6.

<sup>33</sup> Cf. Part II, chapter 1.1.2.

competence checks for young people still unsure about their career plans and the newly created introductory training schemes.

Throughout Germany, 17,539 of the about 40,900 applicants not placed by 30 September had not found a training place by the end of December 2005. This was 2,590 applicants more than at the end of December 2004 (14,949 young people).

In western Germany, the number of applicants still seeking a training place on 30 September 2005 dropped by 16,363 or 55 per cent to 13,383 by mid-December (end of December 2004: 10,299). At that time, there were still 4,410 unfilled in-company training places. In addition, there were still 16,829 introductory training vacancies registered with the employment agencies.

In eastern Germany, the number of applicants still seeking a training place on 30 September 2005 dropped by 7,006 or 62.8 per cent to 4,148 by mid-December (end of December 2004: 4,650). For these young people a small number of in-company training places, places under *Länder* programmes and about 3,450 places in introductory training schemes were still available.

The results of subsequent placement campaigns showed that even after 30 September there was still considerable activity in the training place market. Of the 40,900 unplaced applicants 29,800 or 73 per cent accepted the invitation to participate in these placement campaigns. 27,600 of these young individuals could be offered places either in VET or in other types of qualification schemes.<sup>34</sup> As a result of the various activities conducted by employment agencies and chambers, the number of young people without a training place could be reduced to 15,200 by mid-January 2006. However, this was 2,500 more than at the end of January 2005. Due to the shifting in early 2005 of the Federal Employment Agency's cut-off date, a full comparison with the data of the previous year is not possible.

The number of 25,000 places in company-based introductory training schemes (EQJ places) that the business enterprise sector had promised under the Training Pact was clearly exceeded. By the end of December, business enterprises had provided just under 40,000 EQJ places, mainly as a result of the recruiting and registration efforts of the chambers of industry and commerce, the chambers of skilled crafts and small businesses, and associations. The employment agencies reported that by the end of Decem-

ber 2005 a total of 15,376 young people had signed a contract for company-based introductory qualification, 12,916 in western Germany and 2,460 in eastern Germany.

As in previous years, in the period from October to December 2005 the group of unplaced applicants was joined by other young people who were still seeking a training place for the training year that had already begun and who were included in the placement activities of the employment agencies. Among these were young people whose training contract had been terminated during the probationary period or who wanted to switch to another training place.

<sup>34</sup> At 63 per cent, the integration rate of unplaced applicants in VET or other qualification schemes – vocational preparation schemes run by the BA and introductory training – was higher than in the year before (56 per cent). Cf. the information provided in *Berichte und Dokumente zu den Ergebnissen des 2. Paktjahres* (Results of the second year of the Training Pact – reports and documents) available at [www.pakt-fuer-ausbildung](http://www.pakt-fuer-ausbildung).

## 5. Forecast of the demand for training places in 2006

The forecast for 2005 again made allowance for the fact that the demand for training places depends on their supply, and was developed on the basis of various scenarios. Assuming that roughly the same number of young people would seek training places as in 2004, demand in absolute terms had been expected to rise to 624,000 applicants (+6,000). This estimate was based on a moderate increase of 3,000 training places on the supply side (to meet the absolute growth in demand resulting from demographic developments), and on the increase in the number of general-school leavers from 952,300 to 954,800 expected by the Federal Statistical Office.

In fact, however, the number of general-school leavers in 2005 was not 954,800 as forecast by the Federal Statistical Office, but only 948,200. However, since the figure for 2004 also had to be revised (to 945,400), 2005 nevertheless saw an increase by 2,800 additional school leavers. The supply of training places, on the other hand, shrank considerably and, at 562,800, there were 23,600 fewer training places than in the previous year.

If this negative balance is substituted in the equation used in last year's forecast, the demand for training places can be estimated to decline by about 16,800 to a total of 601,600. Actual demand for training places in 2005, however, was only 591,100 which was 10,500 below the estimate. The difference between the estimate and the actual number is, among other things, attributable to the large number of applicants who in 2005 started training under an introductory qualification scheme (EQJ). In this way, the number of unplaced applicants (2005: 40,900) could be kept much lower than one would have expected in view of the marked drop in the number of training places available.<sup>35</sup>

A review of 2005 shows that the accuracy of the demand forecast depends not only on a precise knowledge of demographic trends, but also on an accurate projection of supply-side development. The latter, in turn, is contingent on a number of factors, such as structural and overall economic development, the decision of business enterprises to offer training places to more applicants than they actually need, and the extent to which use is made of publicly financed non-company VET. In some cases such decisions are not taken until the placement year is well underway.

<sup>35</sup> When the 7,800 participants in EQJ schemes are added to the number of unsuccessful training place seekers, the difference of 2,700 between the demand forecast in late 2004 and the actual number is only marginal.

When projecting the demand for 2006, forecasters worked with spreads and generated a number of variants based on different scenarios.<sup>36</sup> In a mid-scale scenario the demand for training places in 2006 would increase slightly to 593,000 which would be 2,000 or 0.3 per cent more than in 2005. This growing demand slightly exceeds the increase in the number of general-school leavers and is mainly attributable to the rise in the number of vocational-school leavers<sup>37</sup> and the greater number of long-term applicants. The techniques applied the BiBB to generate separate estimates for western and eastern Germany also permit estimates of regional demand to be made. However, such estimates are restricted to the basic scenario underlying the above-mentioned variants according to which nationwide demand will be 593,000 (+2,000) and the supply will grow correspondingly by some 1,400.

Accordingly, demand in western Germany is expected to rise by 7,500 (+1.6 per cent) to about 471,000. In 2005, 463,900 applicants were registered. In eastern Germany and Berlin, the number of training-place seekers should drop by some 5,500 to just under 122,000 young people (2005: 127,200). The estimates for eastern and western Germany cited here are based on the usual company-based demand estimate. This means that east-west training commuters are included in the demand figures for western Germany.

<sup>36</sup> For the various methods and scenarios cf. Part II, chapter 1.4. The spread of demand from 572,000 to 612,000, calculated on the basis of different scenarios, reflects the nationwide impact of supply on the demand trend.

<sup>37</sup> According to the estimates of the Federal Statistical Office based on KMK projections, 371,500 young people – an increase by 7,200 – are expected to leave full-time vocational schools, specialised upper secondary schools and specialised grammar schools nationwide; cf. Part II, chapter 1.4.

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